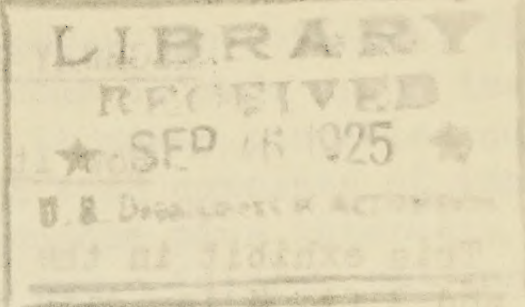


## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.





UNITED STATES DEPARTMENT OF AGRICULTURE  
Extension Service  
Office of Exhibits

A Summary of the Exhibit

HIGHWAY FINANCE

A booth exhibit showing that the expenditure for a road should never exceed a road's income.

Specifications

- Floor space - - - - - 8 ft. 6 in. front
- Wall space - - - - - None (3 ft. 4 in. deep)
- Shipping Weight - - - - - 325 lbs.
- Electrical Requirements - None.



## HIGHWAY FINANCE

### How It Looks

This exhibit in the form of a booth 8 ft. 6 in. front and 3 ft. 4 in. deep is intended to explain two closely connected facts in a manner that requires no careful study of data, figures or photographs and text. The ideas which the fair patron is supposed to absorb and remember are impressed on him by merely viewing the booth for a few moments.

On the center section is presented a supposed likeness of Mr. Micawber, one of Charles Dickens' well-known characters, in gaudy waistcoat with up-lifted hand vehemently uttering his famous warning regarding income and expenditure. This saying has been interpreted so as to apply to the problem of highway finance.

A large pair of balances in the middle of the booth with a sack of money in each pan shows that income should outweigh expenditure. Each side section contains a single statement, in large letters, pertaining to income and expenditure.

### What It Tells

The test of any investment from a financial point of view is the amount of the dividends it will pay. The expenditure of public revenues for road improvement should be regarded as an investment and the cost of the improvement should be balanced against the benefits which may be expected to accrue. If the tangible benefits exceed the cost the expenditure may be considered as a wise investment, otherwise it should be incurred only in case there are other intangible benefits, such as the recreational value of the improved road, the comfort of travellers, etc., that will justify the expense.

Mr. Micawber's warning, "Annual income twenty pounds, annual expenditure twenty pounds aught and six, result misery" is a statement of a simple and yet much neglected principle of finance that is



applied in this instance to highway improvements. The exhibit tells that a road's income is made up of the savings in transportation cost it makes possible and also that the expenditure for a road consists of the cost of construction and maintenance plus interest. Within the booth is suspended from a fulcrum two scale pans upon which are canvas bags, obviously full and marked with dollar signs. The income pan is lower and heavier than the expenditure pan to illustrate the theme of the booth,

#### Where to Get Information

The following publication may be obtained free of charge from the U.S. Department of Agriculture, Washington, D. C.

Public Roads, Vol. 5. No. 4. July 1924. The Incidence of the Highway Tax Burden.

